



FOR IMMEDIATE RELEASE

TECHNOSERVE AND MICRO AND SMALL ENTERPRISES AUTHORITY (MSEA) SIGN MOU DURING THE LAUNCH OF THE NATIONAL DUKA-OWNERS UMBRELLA ORGANIZATION AIMED AT ADVOCATING FOR micro retailers IN KENYA

The launch of the new National Duka-owners Umbrella Organization will support the vital work of micro retailers in the country

NAIROBI, KENYA, NOVEMBER 23, 2023 – The Micro and Small Enterprises Authority (MSEA) and international nonprofit TechnoServe have signed a Memorandum of Understanding (MOU) that will see micro retailers across Kenya benefit from financial empowerment, advisory services, and capacity building.

The partnership will focus on promoting business growth, facilitating access to financing, formalizing MSEs through registration, developing capacity-building programs, promoting market access, and addressing post-harvest losses. The partners are supporting the launch of the National Duka-owners Umbrella Organization, a new national umbrella body advocating for the interests of micro retailers.

The National Duka-owners Umbrella Organization is registered with MSEA under the Registrar of MSEs and brings together duka owners from ten regional associations: the Nairobi Duka-owners Association (DOA), Kiambu DOA, Kipevu DOA, Jomvu Mtopanga DOA, Kibera DOA, Kayole Junction DOA, Kangundo DOA, Machakos DOA, Mathare DOA, and Nairobi CBD DOA. This national umbrella body is poised to advocate for the interests of micro retailers, providing a vital platform for collaboration and addressing sector challenges.

Speaking on the partnership during the signing ceremony held in Nairobi, **MSEA Director General Mr. Henry Rithaa** said, “Our mission is to create an environment that makes our MSE sector globally competitive, and we are honored to partner with such noble stakeholders who are appreciative and aligned to meet this national goal. Through this partnership, we can leverage our expertise and resources to support micro retailers and address the challenges they face by giving them better access to capacity-building, market access, common user facilities, and financial linkages to enhance their productivity and profitability.”

This initiative is a culmination of the Smart Duka program, a collaborative effort of TechnoServe and the elea Foundation for Ethics in Globalization. The program's goal is to enhance micro-retailers' efficiency, formality, and sustainability while strengthening partnerships between ecosystem actors and micro-retailers. At a critical juncture for



micro retailers facing challenges such as high costs and declining consumer purchasing power, the National Duka-owners Umbrella Organization will play a pivotal role in helping members overcome these hurdles.

Alice Waweru, Regional Entrepreneurship Director at TechnoServe, highlighted the importance of this launch, stating, "The National Duka-owners Umbrella Organization is a watershed moment for micro retailers in Kenya. By uniting, members can now effectively address challenges, negotiate better agreements, and access more affordable financing."

Through MSEA's countrywide reach in the 47 counties, micro retailers under the National Duka-owners Umbrella Organization will now have access to training and advisory services, financial services, and new domestic and international markets. The collaboration aims to ensure the umbrella organization aligns with government regulations, fostering a formalized and compliant micro-retail sector in Kenya.

This MoU aligns with the government's agenda, which prioritizes the holistic well-being of MSMEs—the bedrock of economic transformation in the country. This deliberate focus on MSEs recognizes their growing catalytic role in steering the nation toward a prosperous future.

The office of the Registrar of MSEs is stipulated in Section 4 of the MSE Act of 2012. The main function of the Office of the Registrar is the registration of MSEs and the maintenance of a database of registered MSEs in a bid to formalize the MSE sector. MSEA aims to register and create a database of MSEs in Kenya, factoring in their biodata, demographics, sectors, and economic activities. So far, the Authority has registered 1,262 organizations with an average of 35 members each and 49,832 groups, averaging 10 members each, with many in the process of registration.

The micro-retail sector significantly contributes to the Kenyan economy, generating KES 816 Billion in 2022 and employing 9.32 million Kenyans. Since 2021, the 42 business groups have reached 1,600 micro retailers, with 67% being women-owned enterprises. The impact is evident, with businesses accessing KES 14,815,000 in finance and a group savings portfolio now standing at KES 5,196,535.

About elea Foundation

elea Foundation for Ethics in Globalization is an impact investor dedicated to fighting absolute poverty with entrepreneurial means, leveraging the opportunities of globalization. Founded in 2006 and based in Zurich, Switzerland, elea Foundation focuses on creating positive, lasting impacts on a global scale.

About MSEA (Micro and Small Enterprises Authority)



MSEA, as a key partner in the registration process of the National Duka-owners Umbrella Organization, plays a crucial role in supporting the micro-retail sector. MSEA is an abbreviated form for Micro and Small Enterprises Authority (MSEA). It is a government body established under the Micro and Small Enterprise Act No. 55 of 2012 mandated to formulate and coordinate policies that will facilitate the integration and harmonization of various public and private sector initiatives for the promotion, development, and regulation of the Micro and Small Enterprises. The Authority is domiciled under the Ministry of Cooperatives and Micro, Small & Medium Enterprises (MSME) Development.

About TechnoServe

Founded in 1968, TechnoServe is a leader in harnessing the power of the private sector to help people lift themselves out of poverty for good. A non-profit organization working in 30 countries, we work with people to build a better future through regenerative farms, businesses, and markets that increase incomes. Our vision is a sustainable world where all people in low-income communities have the opportunity to prosper.

Website Links

elea Foundation for Ethics in Globalization - <https://www.elea.org/en/home-en>

MSEA - <https://www.msea.go.ke>

TechnoServe - www.technoserve.org